

# Alternative Dispute Resolution

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consumer *brief*

## WHAT IS A.D.R.?

Alternative Dispute Resolution (A.D.R.) is a method of resolving disputes without using the formal court system. The successful use of A.D.R. reduces the number of disputes that eventually lead to often costly and lengthy legal battles. The need for A.D.R. has become so apparent that the New Jersey Supreme Court has required parties in certain court proceedings to submit to court-sponsored mediation before being allowed to appear before a judge.

## WHO ARE OUR MEDIATORS?

Consumer Affairs' A.D.R. mediators are volunteers. They are drawn from all walks of life and include lawyers, dentists, teachers, auto mechanics, labor negotiators and businesspeople. All of the volunteers are required to undergo a three-day mediation training seminar and are expected to work a minimum of a half day, once a week, for at least six months. The use of volunteers by the A.D.R. Unit affords a significant financial savings to the State while still providing quality service to our clients.

## TYPES OF CASES

Our A.D.R. Unit receives cases from various government agencies. Although it may reject matters considered inappropriate for mediation, the actual selection of cases is decided upon solely by the referring agency.

Below are examples of cases handled by the A.D.R. Unit.

- After having a new kitchen installed in her home, a consumer filed a complaint because the new stove burned the new cabinets. The mediator assigned was able to resolve the case to the satisfaction of all parties.

- When a conflict arose between a business and an employee who claimed he was fired because of his age, the matter was resolved to the satisfaction of both parties.
- A consumer was billed personally by a New Jersey hospital even though she had medical insurance from a Pennsylvania insurance company. The matter was successfully concluded after A.D.R. intervention.

## HOW DOES MEDIATION WORK?

The term "A.D.R." is broadly defined and includes various types of dispute resolution. Two of the best known forms of alternative dispute resolution are arbitration and mediation. Our A.D.R. Unit uses mostly mediation.

To mediate a dispute, A.D.R. follows these steps:

- The mediator gathers information about the dispute and, when appropriate, schedules a mediation session. Many conflicts are successfully resolved by telephone with minimum inconvenience to all those involved.



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- During the mediation session (either in person or on the phone), each party explains his or her view of the problem and what he or she believes is necessary to resolve the dispute.
- The mediator will then work to assist the participants in an effort to reach a settlement which is agreeable to both parties.

#### WHAT ARE THE ADVANTAGES OF USING A.D.R.?

- Your problem is dealt with promptly. Many cases are concluded in less than six weeks.
- Mediation creates a “win-win” situation. Both parties come out ahead by reaching a mutually agreeable solution.
- Participants may be able to avoid time-consuming and costly litigation.
- The service of the trained volunteer mediator is free.

#### CONFIDENTIALITY

Confidential information provided by one of the parties to the mediator will not be revealed by the mediator without the explicit permission of that party. All documents and discussions revealed during a mediation session will remain confidential and neither the material nor the mediator may be subpoenaed.

#### AT THE CONCLUSION OF A MEDIATION

When parties conclude a mediation successfully, the agreement reached is often put into writing. Participants may then rely on that written agreement as a binding contract if they should need to pursue more formal action.

Sometimes, no matter how hard people try, an agreement cannot be reached. At that point the matter is generally sent back to the referring agency. In addition, the mediator can usually provide referrals and suggestions to both parties for other options which may be available to them. A mediation attempt that does not succeed does not prevent anyone from pursuing further legal action. If you would like to learn more about the A.D.R. Unit, you may write to the:

New Jersey Department of Law and Public Safety  
Division of Consumer Affairs  
Alternative Dispute Resolution Unit  
P. O. Box 45023, 153 Halsey Street  
Newark, New Jersey 07101

or call: 973-504-6100

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**800-242-5846** (calls within New Jersey)

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Camden, NJ 08103

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